

116TH CONGRESS  
1ST SESSION

# H. R. 4206

To amend the Higher Education Act of 1965 to include requirements for programs of training to prepare students for gainful employment in a recognized occupation.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 23, 2019

Mr. TAKANO (for himself and Ms. SHALALA) introduced the following bill;  
which was referred to the Committee on Education and Labor

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## A BILL

To amend the Higher Education Act of 1965 to include requirements for programs of training to prepare students for gainful employment in a recognized occupation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

**3 SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Student and Taxpayer  
5       Protection Act”.

**6 SEC. 2. GAINFUL EMPLOYMENT PROGRAMS.**

7       Part A of title I of the Higher Education Act of 1965  
8       (20 U.S.C. 1001 et seq.) is amended by adding at the end  
9       the following:

1     **“SEC. 104. PROGRAM OF TRAINING TO PREPARE STUDENTS**  
2                         **FOR GAINFUL EMPLOYMENT IN A RECOG-**  
3                         **NIZED OCCUPATION.**

4     “(a) GAINFUL EMPLOYMENT PROGRAM DEFINED.—  
5     In this Act (including for purposes of sections 101 and  
6     102), the term ‘program of training to prepare students  
7     for gainful employment in a recognized occupation’ (in  
8     this section referred to as ‘training program’) means a  
9     training program that—

10                 “(1) is in compliance with the performance  
11     metrics (including the eligibility thresholds for each  
12     such metric) established under subsection (b)(1);

13                 “(2) is in compliance with the notice require-  
14     ments under subsection (b)(1)(C)(i)(II);

15                 “(3) is otherwise eligible to receive funds under  
16     title IV; and

17                 “(4) is not a training program that is substan-  
18     tially similar to a training program which, during a  
19     period determined by the Secretary, did not meet  
20     one or more of the performance metrics (such as an  
21     eligibility threshold) described in paragraph (1).

22     “(b) SECRETARIAL REQUIREMENTS.—

23                 “(1) ESTABLISHMENT OF REQUIREMENTS.—

24                 “(A) IN GENERAL.—Not later than 18  
25     months after the date of enactment of the Stu-  
26     dent and Taxpayer Protection Act, the Sec-

1           retary shall establish requirements for training  
2           programs to be eligible training programs for  
3           purposes of receiving funds under title IV,  
4           which shall include—

5                 “(i) establishing performance metrics  
6                 (including eligibility thresholds for each  
7                 such metric) described in subparagraph  
8                 (B); and

9                 “(ii) developing a disclosure template  
10                 and a verification process for disclosures  
11                 described in subparagraph (C).

12           “(B) PERFORMANCE METRICS.—

13                 “(i) IN GENERAL.—In establishing the  
14                 performance metrics under subparagraph  
15                 (A)(i), the Secretary shall, at a minimum,  
16                 establish the requirements for a debt-to-  
17                 earnings rate that serves the best interests  
18                 of students and taxpayers, which shall in-  
19                 clude—

20                 “(I) a methodology for calcu-  
21                 lating such debt-to-earnings rate for a  
22                 training program, including—

23                 “(aa) a definition of the co-  
24                 hort of individuals on whom such  
25                 rate shall be based, who shall be

selected from the individuals who  
were enrolled in such training  
program (without regard to  
whether the individuals received  
a loan for such enrollment);

6                             “(bb) a determination of the  
7                             debt amount for such rate based  
8                             on the median annual loan pay-  
9                             ment for the loans made under  
10                          title IV and the private education  
11                          loans received for such enroll-  
12                          ment by such cohort; and

“(III) establishing a threshold rate that each training program shall

1                   meet to be eligible to receive funds  
2                   under title IV.

3                 “(ii) EARNINGS DATA.—In deter-  
4                 mining the mean or median of the actual,  
5                 student-level annual earnings for purposes  
6                 of this subparagraph, the Secretary shall  
7                 obtain and use the most currently available  
8                 Federal data on such earnings.

9                 “(C) DISCLOSURE TEMPLATE.—The Sec-  
10                 retary shall develop—

11                 “(i) a disclosure template that—  
12                     “(I) is consumer tested; and  
13                     “(II) is used by each training  
14                 program to provide enrolled and pro-  
15                 spective students (including through  
16                 publication on the website of the pro-  
17                 gram)—

18                 “(aa) on an annual basis,  
19                 student outcome information for  
20                 such program (including the  
21                 debt-to-earnings rate and whether  
22                 the eligibility threshold for any  
23                 other performance metric estab-  
24                 lished under subparagraph (A)(i)  
25                 has been met); and

“(ii) a process to annually verify that each training program is providing the disclosures required under clause (i)(II).

14       “(2) ENFORCEMENT OF REQUIREMENTS.—Not  
15       later than 2 years after the Secretary establishes re-  
16       quirements under paragraph (1), and annually  
17       thereafter, the Secretary shall, with respect to each  
18       training program—

19                 “(A) calculate the debt-to-earnings rate  
20                 and assess performance with respect to any  
21                 other metric established under paragraph  
22                 (1)(A)(i) for the preceding award year, and  
23                 make such information publicly available on the  
24                 website of the Department of Education;

1               “(B) issue a notice of determination on  
2               whether the program is meeting the require-  
3               ments established by the Secretary, including  
4               whether the program shall be subject to sanc-  
5               tions (such as loss of eligibility under title IV);  
6               and  
7               “(C) enforce the applicable sanctions.”.

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